

AFFORDABLE PRESCRIPTION DRUG PLAN

(Ms. MILLENDER-McDONALD asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. MILLENDER-McDONALD. Mr. Speaker, with 12 million seniors without prescription drugs, it is time for this House to address the issues that are so critical to seniors.

Mr. Speaker, I want to speak out on behalf of seniors who are in need of comprehensive prescription drug coverage. Right now many seniors are forced to choose between buying food or purchasing necessary prescription drugs to sustain their health.

The Democratic proposal will help all seniors by expanding Medicare to offer a prescription drug benefit that is universal, affordable, dependable, and voluntary. We do not and we cannot do less than to offer elderly women and men access to adequate health care that they can afford and easily be accessible.

Our Republican colleagues are offering a plan that gives no real benefits or assistance to those who need quality prescription drug coverage. Their plan would cover less than one-quarter of Medicare beneficiaries and the cost over the next 10 years. Their plan would leave almost half of all of our seniors with no drug coverage. Remember what I said, 12 million without drug coverage whatsoever.

We need to now give what is needed to seniors, Mr. Speaker. We can ill afford to wait any longer. We cannot advance this position any further. We must give our seniors the necessary prescription drug coverage.

In contrast, the House Democratic plan will add a new Part D in Medicare that offers voluntary prescription drug coverage for all Medicare beneficiaries starting in 2005. The Democratic plan will help women and all seniors by offering: \$25 monthly premiums; \$100 annual deductibles; Co-insurance where beneficiaries pay 20 percent and Medicare pays 80 percent; \$2,000 out-of-pocket limit per beneficiary per year.

Low-income beneficiaries with incomes up to 150 percent of the poverty rate will pay no premiums or share costs.

Beneficiaries with income ranging from 150 to 175 percent of the poverty level will receive assistance with the Part D Medicare premium on a sliding scale.

The average senior has an income of about \$15,000 per year and so needs an affordable benefit.

Seniors need catastrophic coverage. That is where Medicare pays all prescription costs after the beneficiary has spent a specific amount of money out of their own pockets.

The House plan would pay all drug costs after the beneficiary spends \$2,000. By contrast, the Republican proposal would cost women up to \$3,800 per year.

The President's budget offers only \$190 billion over the next 10 years for Medicare reform including prescription drugs. Further, only \$77 billion of this funding is earmarked for prescription drug coverage to the States to implement a low-income state-based drug plan.

Under the Democratic plan, there would be no gaps in coverage, while the Republican plan will force beneficiaries in need of more than \$2,000 worth of drugs to pay 100 percent of their out-of-pocket costs, and make them continue paying premiums until they reach their \$3,800 cap.

Any willing pharmacy must be included in the network according to the Democratic plan, but private plans can limit which pharmacies participate in their network under the Republican plan.

Beneficiaries would have coverage for any drug their doctor prescribes as included in the Democratic plan, yet with the Republican plan, private insurers can create strict formularies and deny any coverage for drugs not listed in the formulary.

Women and seniors must have a prescription drug benefit that is guaranteed by the government as part of Medicare. Private insurance companies cannot be accountable for offering their own plans to people in need.

The Health Insurance Association of America, the private insurance industry's association, has said they will not offer drug-only insurance because they will lose money. Seniors need a defined benefit so they will know what benefits they are entitled to.

Without offering a minimum benefit, offering a choice to women and seniors won't make sense.

Too many insurance plans will only confuse those in need of coverage. Women are looking for a defined benefit like the one now offered to them by Medicare.

It's time to stop talking about providing for women seniors and actually take action to ensure the quality of their healthcare, and thus their lives overall. If we really care about all women, let's take this opportunity to show our concern by offering prescription drug coverage that will make a difference.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. GEORGE MILLER) is recognized for 5 minutes.

(Mr. GEORGE MILLER of California addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. SOUDER) is recognized for 5 minutes.

(Mr. SOUDER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

THE COST OF PRESCRIPTION DRUGS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. GUTKNECHT) is recognized for 5 minutes.

Mr. GUTKNECHT. Mr. Speaker, I rise again to talk about an issue that we

are all painfully aware of and more and more of my colleagues are concerned about, and that we are going to have to deal with here in the next several days in the Congress, and that is the high cost of prescription drugs. I brought with me again this chart, and I would like to show to my colleagues what we are really talking about in terms of the prices that Americans pay relative to people in other parts of the world. These numbers are not my numbers. They were put together by a group called the Life Extension Foundation. I want to point out a couple that I find interesting.

Glucophage, a very commonly prescribed drug for diabetes, one of the most commonly prescribed drugs in the United States. In the United States, a 30-day supply, according to Life Extension Foundation, sells for about \$124.65. That same drug made in the same FDA-approved facility in Europe sells for \$22. \$22. We are not talking about Mexico; we are talking about Europe.

The list goes on and on, and, for example, tomorrow we are going to have a vote, I think, here on the floor of the House about trade, about trade promotion authority. We are going to give our negotiators a little more latitude in negotiating with the Senate. I happen to believe in trade. I believe in free and fair trade.

But this is one area where American consumers could benefit enormously. Our estimates are if we simply opened up markets, allowed American consumers to prescription drugs at world market prices, we could save American consumers upwards of \$60 billion a year; \$60 billion a year. Even here in Washington, that is real money.

What does that mean to the average consumer? For example, my father takes a drug called Coumadin. The United States, the average price is \$64.88. That is a interesting number in itself, because 2½ years ago when we started doing these charts, that price was not \$64.88, it was \$38. In just the last 2½ years, that drug, and nothing has happened, they have had no new FDA approval they have had to go through, as far as we know there has been no litigation, but the price of the drug has gone from \$38 to \$64, and, interestingly enough, in Germany you can buy that drug, the same drug, made in the same plant, for \$15.80.

How long? How long will we hold American consumers hostage? The time has come for Congress to take action. And I am here today not to say, shame on the pharmaceutical industry. They are doing what any capitalistic organization would do, and that is they are exploiting a market opportunity. And are they exploiting it big time.

It is not shame on them, Mr. Speaker, it is shame on the FDA, and it is shame on us for allowing this to go on. And we cannot afford it. We simply cannot afford to continue to subsidize Europe and the Western nations.